

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON  
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT  
RAPPORT

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DATE                       28 October 1996

TO/DEST.                 Coordinator, Community Services Committee

FROM/EXP.               Commissioner, Social Services Department

SUBJECT/OBJET         **ONTARIO WORKS**

### **DEPARTMENTAL RECOMMENDATION**

**That Community Services Committee receive this report for information.**

### **PURPOSE**

The purpose of this report is to provide information on the development of the Ottawa-Carleton Business Plan for Ontario Works and subsequent impacts to social services delivery and funding.

### **BACKGROUND**

On May 2, 1996, Community Services Committee received an information report entitled Ontario Works, apprising the Committee of the upcoming Provincial initiative. In September 1996, a summary of Provincial guidelines for Ontario Works was circulated to all Councillors. An accompanying memo from the Commissioner of Social Services indicated that the Department will begin implementing the program in September 1997, with full implementation by January 1, 1998. The Department is committed to working towards implementation of Ontario Works in partnership with community agencies and clients, creating a local solution which respects Provincial guidelines.

Ontario Works is being phased-in across the province. Twenty regions/municipalities have been chosen as "first sites" (see Annex A). First sites are currently submitting their Business Plan proposals for approval by the province and/or are beginning implementation. A second phase will begin in early 1997. Ottawa-Carleton will participate in the third and final phase.

## COUNCILLORS' CONCERNS

The Community Services Committee passed the following resolution on May 2, 1996:

*BE IT RESOLVED THAT Council advise the Ministry of Community and Social Services that the Regional Municipality of Ottawa-Carleton expects, as a minimum, that workfare will:*

1. *Not interfere with education and job-seeking;*
2. *Provide training that is actually useful;*
3. *Come at no additional cost to property taxpayers;*
4. *Compensate community agencies for their administrative and management costs for being involved in this program;*
5. *Not be a substitute for paid employment or lead to the displacement of paid workers;*
6. *Include enough discretion to allow municipalities to tailor the program to meet local needs.*

Based on the Department's initial analysis of the Provincial guidelines and the work-in-progress on the Business Plan, it would appear that the concerns of the Community Services Committee will be addressed. This report identifies issues which remain to be worked out and challenges to be addressed. However, the Department has assessed that there is sufficient flexibility and room for local policy-making that the Region will be successful in meeting these challenges.

## APPROVALS

The Department expects to bring its Business Plan for approval to Community Services Committee in March, 1997 and to Regional Council in April, 1997. Following Council approval, negotiations on the plan will take place with the Province. The Department expects to receive Provincial approval of the Business Plan by August 4, 1997.

## GOALS OF ONTARIO WORKS

At this time, Ontario Works will include general welfare assistance (GWA) recipients who are employable. Sole support parents of older children (age of children not yet defined) who are receiving Family Benefits (FBA) will be required to participate in Ontario Works at a later date. Initially, they may voluntarily participate, as may people on FBA with disabilities or who are aged. It is a requirement that initially 10% of participants in Ontario Works be voluntary.

As stated by the Province, the objectives of Ontario Works are:

1. to assist people to gain basic education or job-specific skills training or find work in their local community;
2. to enable people to contribute to their communities; and,
3. to provide financial and program support to people while they actively seek work.

## ONTARIO WORKS COMPONENTS

Employable people in receipt of GWA undertake an independent job search during the first four months they are in receipt of assistance. If they are still receiving social assistance after four months, they will be required to participate in Ontario Works as an ongoing condition of eligibility. Temporary deferral of active participation may be granted for reasonable circumstances/conditions.

Ontario Works consists of three components. Clients may fulfill their Ontario Works obligations by participating in one or more component.

1. The **Employment Support** component will consist of such client activities as job club participation, workshop attendance, training and job search.
2. The **Employment Placement** component will support payments to local placement agencies to place clients in regular jobs. It will also support payments to self-employment development agencies to train clients in the skills required to become self-employed.
3. The **Community Participation** component will involve clients in unpaid community service activities under the direction of communities and/or public, non-profit organizations. It includes a self-initiated placement proposed by a participant. Placements cannot exceed 6 months. There is no minimum number of hours to a placement; however, placements cannot be more than 70 hours a month or average more than 17 hours a week.

While Ontario Works introduces a greater emphasis on mandatory activities, the Department has assessed that there is sufficient flexibility and choice built into the program to allow integration with current Departmental philosophy and practices.

Clients will be assessed by staff, a case plan will be developed, and clients will be streamed into different pathways. Clients may move among the various components of Ontario Works according to the case plan developed between the client and the case coordinator. Some restrictions to client choices may apply, however, as a result of budget ceilings, the availability of community placements, and the availability of employment placements.

Sanctions may be applied in cases where a recipient refuses to participate: allowance will be cancelled (single) or reduced (family). The first instance of non-compliance will result in a penalty period of 3 months; the second and subsequent instances of non-compliance will result in a penalty period of 6 months. A formal appeal process must be made available to recipients before any sanctions are introduced.

## CHANGES TO SOCIAL SERVICES SYSTEMS AND FUNDING

### *Integration with Improving Client Services (ICS)*

The Department is currently implementing re-engineered processes for service delivery. The ICS initiative was built on the principles tested and found to be successful in **Opportunity Planning**. These principles include: assessment, provision of supports, and ongoing monitoring. In future, more staff resources will be focused on case management activities to help clients increase self-sufficiency, primarily through employment. Clients and staff will work together on assessment and case planning. There will be more emphasis on identifying and achieving specific outcomes.

The Department has developed a one-stop intake process for determining eligibility, and a new process for managing cases once eligibility has been determined. The model that has been developed is based on "Service Pathways" for different client situations.

ICS has already moved the Department towards a service delivery model that focuses on self-sufficiency and achieving outcomes. The Ontario Works Business Plan will incorporate Ontario Works into the Service Pathways developed for managing cases under ICS. The two processes will be fully integrated by January 1998.

### *Funding*

Currently, the Province provides funding for social assistance programs to municipalities on a **conditional** basis, with funding for social assistance tied to meeting the needs of specific recipients on a cost-shared basis. Under Ontario Works, funding will be granted on a **contingent** basis, based on meeting targets specified in the Business Plan.

Funding for the Employment Support component includes the costs of the administration of community participation, employment support and employment placement. The average cost per recipient year is not to exceed \$250 (provincial share \$200), excluding child care and employment-related expenses. Careful activity-based tracking and budgeting processes will need to be put in place to ensure that administrative costs for all 3 components do not exceed the average \$250 limit per recipient year.

Under the Community Participation component, additional 100% Provincial funding is available for costs involved in developing, supervising, and monitoring community participation. A costing formula will be established based on targets for the number of participant/hours negotiated with the Ministry of Community and Social Services (MCSS), at an average cost of \$100 per placement month (70 hours) and \$50 per participant placement.

**Funding for these components will be recovered by MCSS based on the costing formula if targets are not met.** Additional funding will **not** be provided if targets are exceeded.

Under the Employment Placement Component, compensation will also be paid to employment agencies on a fee-for-performance basis. The agency fee will comprise a share of the funds which would have otherwise been paid out in social assistance to the participant, on a two to one basis. Participants must maintain their employment for six months in order for the agency to receive a full fee; a partial fee is available after the client has maintained employment for three months.

The Province's intent is to fund each component of the program on an equal basis. However, the Province recognizes the need for a two year transition period. During the transition period, municipalities can negotiate with the Province to split the funding unequally, eg. 50% Employment Supports, 25% Employment Placement, 25% Community Placement. Funds cannot be transferred between components.

### *Technology*

The Province has developed Ontario Works software as technological support for municipalities, and a funding formula for those municipalities that elect to use the software. However, the Ontario Works software is not suitable for large municipalities, particularly those that have multi-sites for service delivery such as Ottawa-Carleton.

The Department will need to identify its technology support requirements and explore funding arrangements with the Province.

### COMMUNITY INVOLVEMENT

The Department is developing a communication strategy, including marketing and consultation strategies, to inform, involve, and promote Ontario Works in the community. As a first step, a joint ICS/Ontario Works Community Information Session was held at the RA Centre on October 22, 1996. The objectives of the session were:

1. to provide an overview of both the new service delivery model and Ontario Works;
2. to present the Departmental philosophy of commitment to improving client service and continuous improvement;
3. to promote community understanding; and
4. to identify roles of the community in future consultations regarding ICS and Ontario Works.

Next steps include detailed public consultations on Ontario Works from December 1996 through March 1997.

### ISSUES IDENTIFIED BY FIRST SITES

The twenty "first site" municipalities and regions have identified a number of additional challenges. The Department is monitoring the experience of these sites to assist in the development of its own Business Plan.

### *Vulnerable and FBA Clients*

Municipalities expressed the wish to support clients in reaching their goals, but recognized that agencies have indicated hesitation in taking vulnerable clients, and that municipalities do not want to “alienate” agencies by making unsuitable placements.

Municipalities were unclear whether clients could participate in activities such as participation in AA, or in anger management courses, to fulfil their Ontario Works obligations. They identified the need for flexible participation criteria that accommodates clients with episodic diseases such as multiple sclerosis, AIDS, and schizophrenia. They expressed interest in building a program which demonstrates support to all clients in achieving their goals, including vulnerable clients. They did not wish to see a system emerge which focuses almost exclusively on less vulnerable clients.

The amount of funding available to cover employment supports cannot exceed an average of \$250 per client. FBA clients, who generally have been receiving assistance longer than GWA clients, are likely to need more intensive support. Municipalities caution against setting projections for units of service to be provided to GWA clients too high based on what is possible at the outset compared to what will be possible once FBA clients are integrated into the program.

### *Community Reluctance*

Many municipalities reported a high degree of community reluctance to participate in the community participation component. As one first site stated: at best, concerted efforts to bring the community on board has moved the community from a position of *resistance* to one of *reluctance*. Some municipalities reported higher levels of interest from the community in participating, for example, school boards were interested in having community placements to supervise lunch and playground activities. “First site” municipalities have been able to set targets for community participation totalling 5,000 placements.

Some municipalities have not received any response to calls for tender from the private sector to provide the placement of clients in paid jobs through the employment placement component. They are rethinking their marketing strategies to bring the private sector on board. Other municipalities have received a response from the private sector indicating interest in providing this service.

### *Client and Public Expectations*

Municipalities are concerned that expectations have perhaps been raised in the community that cannot be met. For example, some clients may believe that Ontario Works means “Now I’m going to have a job”. Because the program supports people toward self-sufficiency, but does not guarantee it, and because client choices may be limited by budget restraints and the availability of community and employment placements, clients may develop the impression that “we’re not coming through for them”.

One of the challenges municipalities face will be appropriately rationalizing resources and opportunities under these restraints. For example, criteria will need to be developed to determine

who among any group of clients will be streamed toward placement in an employment opportunity, who will do unpaid work in the community, or who will enroll in training or attend a job club once a week. This will be a critical element of the program given that participation in Ontario Works is a condition of ongoing eligibility.

Similarly, public expectations may be that all employable people will be undertaking 70 hours a month of unpaid community work. In fact, there is no minimum number of hours a client must work in a month, and most employable people are not on welfare longer than four months (the length of time someone must be on assistance before being required to participate in Ontario Works). Furthermore, community participation is only one possible component under which clients can fulfill their Ontario Works obligations. Lastly, the number of available community placements is limited. To illustrate, of the 81,000 clients on the caseloads of the first sites, 36,000 are employable. The first sites have set a target of 5,000 community placements in total.

### *Need to Avoid Replacing Jobs*

The Department currently allows clients to undertake self-initiated volunteer placements in both the private and public sector, and will seek to integrate this practice into its Business Plan for Ontario Works, along with mandatory placements in the public/non-profit sector as specified in the Provincial guidelines. At the same time, the Department wishes to avoid replacing jobs with unpaid work. One safeguard set out in the guidelines is the six month time limit on a community placement. The guidelines for community participation also specify that people not do work done for pay within the last two years. The Department will be exploring additional policies to help ensure jobs are not replaced.

First sites have identified the need to avoid replacing jobs as a priority, but opinions differ among first sites as to whose responsibility it is to ensure that no one in a community placement is doing work done for pay within the last two years. Furthermore, no municipalities have a clear way of demonstrating that, overall, unpaid work is not in fact replacing paid work under the community component.

### SUMMARY

Ontario Works is a program intended to move employable social assistance recipients toward self-sufficiency and provide opportunities for participants to make an unpaid contribution to the community. Participation in Ontario Works will be a condition of ongoing eligibility for employable recipients after four months. Ontario Works consists of three components: Employment Support, Employment Placement, and Community Participation .

The Department expects to bring its Ontario Works Business Plan for approval to Community Services Committee in March 1997 and to Regional Council in April 1997. Provincial approval is expected by August 4, 1997, with full implementation in place by January 1, 1998.

The Department will fully integrate Ontario Works with its new service delivery model. Funding under Ontario Works will shift to a contingent, rather than conditional, basis. Funding will be

subject to claw-back if targets are not met. The Department will need to introduce technological support to permit activity-based tracking and budgeting processes.

Additional challenges identified by municipalities currently implementing Ontario Works are: issues related to inclusion of vulnerable and FBA clients; community reluctance; managing client and public expectations; and the need to avoid replacing jobs.

The Department's initial analysis of the Ontario Works guidelines indicates there is sufficient flexibility and choice to integrate the program successfully with the Department's philosophy and practices.

*Approved by Dick Stewart*

DICK STEWART



**TWENTY “FIRST SITES”****Algoma District Social Services Board****Brant County****City of Brockville****City of Cornwall****City of North Bay****City of Timmins****County of Dufferin****District of Muskoka****Huron County****Kent County****Nipissing District Social Services Board****Northumberland County****Oxford County****Regional Municipality of Durham****Regional Municipality of Halton****Regional Municipality of Hamilton-Wentworth****Regional Municipality of Niagara****Regional Municipality of Peel****Regional Municipality of Waterloo****The United Counties of Stormont, Dundas and Glengarry**